Minutes of the Meeting of the Point Foundation Board of Directors
October 13, 1998
Falkirk House, San Rafael, CA

Present:
Danica Remy, President
Bob Hilllman
Diana Hadley
Hunter Lovens (by telephone)
Alex Gault (Whole Earth Publisher)
Peter Warshall (Whole Earth Editor)

Absent:
Esther Eidinow

DR called the meeting to order at 2:13 PM
Board Members approved the amended agenda
Board Members approved the minutes of the October 15, 1997 board meeting

Publisher's Report: (by AG) (printed separately there fore not included in the minutes)
Discussion of Publisher's Report:
AG: Major need is future development & investment in expansion
PW: Reviewed economics of magazine publication in US (few profits)
AG: Fear of bankruptcy prevents expenditures on growth. Priority for board should be exploring expansion. Cost per new subscriber $28-30, profits not until renewal. Explained process of 2 renewal & billing letters & holiday gift mailing.
DR: Questioned "fully loaded cost per magazine," being the true cost to produce, print, ship, & manage the list – per magazine, bottom threshold per magazine or per subscription. Requested forecasting for future.
AG: $1500 per page x number of pages per issue (approximate cost). Stated that circulation/marketing campaign is being currently undertaken with test lists and test prices. Subscription acquisition plan not reflected in current financial statement.
BH, DR, DH: Discussion of "Level of Involvement" for readers, membership activities, creation of research or editorial fund (Co-Evolution Fund), conference or forums.
AG & HL: Discussion of Cash vs. Accrual Accounting. AG explained disadvantage of magazine industry that revenue from subscriptions is deferred (like loan from readership for future promised services). Need to modify financial statement so that deferred revenue from subscriptions does not frighten potential donors.
AG, HL, DH: Discussion capital expenditures needed (office equipment) and related fund raising. DH suggested appeal to Apple & other manufacturers directly. HL: better to target individuals with request to purchase specific items needed. DR: create packet to present to Apple, with "Think Different" spin-off & possible advertising in WE, or sponsorship of commemorative WE Catalog issue.
AG: Discussion of subscription and back order management: Fulco (fulfillment house) will take over back issue orders, shortening delivery time and reducing expense and

bother for subscribers and office personnel. Soft offering will be sent out – usually has a good response. Current testing of subscription prices will have results by December.

Editor's Report: (by PW) (not included separately)
Fundraising: slower than last year. Fund for Deep Ecology only major grant for general operations; All other grants for specific features of particular issue: Lannin Foundation $4000 for Seminole article; individual grant $3500 for Donella Meadows article; $6000 value donation hemp paper from Living Tree. WE allocates approximately $6-7000 per issue for editorial and photo expenses ($4000 for articles, $300 for photos). Many articles and some photos are donated.
Fund-raising needs: (General need for 1999: approximately $140,000 to make up $11-12,000 per month operating deficit. Additional need for $80,000 as permanent cushion for ease of operation.)
Marin County Foundation will put out a brochure related to WE fund-raising. *Immediate need to cooperate on production of this brochure.*
Endswell Foundation debt. Point owes Endswell $52,000 @ 10% interest. PW has been negotiating with Joel Solomon, representative of the foundation. JS suggests that entire debt be repaid now and that new loan for $25,000 at better interest rate (with 5 payments of $5,400 between June 1999 and 2001) will be granted immediately upon repayment present loan. BH suggested requesting a line of credit arrangement instead of the $25,000 loan. AG supported the line of credit arrangement, stating that having credit would facilitate financial agreements. HL suggested asking Endswell about a PRI, Program Related Investment, known to only a few foundations, but considered an ideal arrangement for obtaining a below-market loan.
Overall fundraising, with the exception of the exceptionally successful initiation of a relationship with the Marin County Foundation, has fallen below last year's efforts. PW stressed need to immediately write end-of-year fundraising requests to major contributors of the immediate past (i.e. last 2 years) and to send full fund-raising packets to supporters of the more distant past. Now is the time to act for end-of-year giving, with possibility of follow-up letter to non-respondents in November or December.
Editorial Ideas:
Guest editor for one issue.
Theme Issues: Other countries: Mexico, India, Japan, US//Mexico Border. (Ted Santos of Ford Foundation interested in a US/Mexico bi-lingual border issue.)
Afro-American Writers; Livable Cities (mayors); Y2K (partial issue)
PW has been offered $10,000 subvention by Jennifer Altman Foundation for Y2K section and possible additional funding from another foundation (Pew or Jesse Noyes ?). HL suggested reportorial pieces, contacting different individuals, to avoid alarmism and survivalist approaches, looking at Y2K problem as part of the inherent design of society

General Discussion:
Budget: No 1999 budget presented, instead AF presented a Profit and Loss Financial Statement. General Agreement on need to create a budget. AG stated that projected income was previously based on burst of renewals that occurred immediately after WE

rebirth. Now more realistic assessment of subscription income will be incorporated into future budget. HL suggested need to get 2 budgets down on paper: (1) for all requests to foundation and (2) bottom line budget of what we need to spend for next year. Both budgets can be cash accounting, with an explanation that WE is in process of converting from cash to accrual accounting. Budget for future might include following suggested needs: (1) marketing specialist; (2) development and fund-raising specialist; (3) funding for part-time coordinator for special projects; (4) funding for guest editors; (5) raise for editorial staff. Board accepted P & L statement by consensus.

By-laws: Need to be updated, revised, or completely rewritten. EE may head a committee to work on this project.

Review of Board Models: (by HL) Two general models: Advisory Board – does not supervise or manage the project or organization that it serves, but makes decisions on big general policy issues. Managerial Board – actually involved in day-to-day operations, sets policy, employs and oversees management, sets amount of budget and actively raises money. HL emphasized that in selecting type of board and style of operation, keep in mind that in organizations where the board raises money, board members usually have a fairly strong voice in how the organization operates. General consensus of the board members present that the Point Foundation board was at present and in the future to be a combination of these two models.

Margaret Meade Collaboration: PW reported on cooperation between WE and the MM Foundation for joint sponsorship of a series of social invention awards. There will be 4 awards given for a period of 3 years, 12 awards in total. A vignette will appear on 2 pages per issue of WE describing the recipients or groups. MM Foundation will supply a subvention of $2000 for the pages describing the awardees. BH suggested collaboration with the MM Film Festival in NYC and possibly bringing this annual major event to the Bay Area. BH offered to explore this possibility and to suggest the inclusion of the awards as part of the NY film festival. General discussion that WE contact the Goldman Foundation to use their network as a referral service for the selection of awardees.

Future Communication Plan: Either by Email or snail mail staff and board will communicate more fully. Communications to include (1) Production schedule calendar; (2) general schedule of PW's whereabouts; (3) list of ideas for WE; (4) wish list needed items and assistance.

Working Committees in Point Foundation: BH discussed the need to present the Point Foundation as a launching pad and support system for a variety of book/film/forum/radio productions. BH suggested series of radio spots like NPR's "Pulse of the Planet" to provide briefly bottled information from the WE magazine and inject it into a wider network. Working committees generally agreed upon (By-laws EE & ??; Fund-raising kit: AG, DH, EE) Other tasks described below.

Agreed-upon activities:

DR: (1) will contact Marin Community Foundation to follow up with Steve Jackson and contact Alex Darby re: MCF brochure about WE and to see if MCF would like to recommend any individual(s) for membership on the PF board; (2) will coordinate a conference call with Catherine Beatson re: awards, etc. ; and (3) will invite Michael Cosman to fill a financial position on the board.

DH & AG: will contact Falkirk House about organizing a series of "salons" or discussion evenings and possibly other larger events to be co-hosted by Falkirk and WE. If fruitful discussion ensues, they will follow up on this initial contact and begin organizing the series.
BH: will contact Mill Valley Film Festival organizers about WE/MM film series in the new theater. BH will coordinate with PW about contacting the MM Film Festival and having a west coast re-showing of the NY festival, with presentation of awards.
DR and AG separately: will explore possibility of finding an efficient, experienced, mature volunteer events coordinator.
AG, EE, and DH: will work on creation of an updated fund-raising packet. AG will find either actual articles or citations for information about magazine industry income (or lack thereof).
PW: (1) will provide information for the MCF brochure; (2) will provide brief 2 paragraph statements of ideas for future issues (i.e., border issue, country issues, etc.), and (3) will draft a fund-raising letter to send to immediate past donors.
EE: will examine the by-laws for possible updating, give input on fund-raising packet.

Next Point Foundation Board Meeting: October 29-31, while HL is in Bay Area.

Meeting adjourned: 5:15PM, amid laughter, a spirit of support, and general enthusiasm.

Hunter Lewis

At least one general board meeting a year.

Dacia Threshold: lowest possible

Diana. Research / Editorial Fund

Manufacturers – hardware – donations

Computers – Apple
– Chiat Day
– Think Different

Peter – Fundraising

MCF – mailing to major donors

Endswell – November 26, 1997
– pay up.

PRI – "Program related investment"
– RMC with MacArthur Fdn.

Audited / – will ask for budget

guest editor Bylaws – non-profit lawyer

Hunter - Budgets
- 2 budgets - One wish list
- used for raising money from folks.
- second - realistic
- for internal purposes.

Hunter - October 29, 31, Nov. 1.

Hunter - Board structure

① Governing Board - legal governing entity

② Board really run organization

Board art - Schedule for board

Bob Hillman
- 2-3 minutes - radio shorts - Peter Coyote
- Jim Metzner - "Pulse of the Planet" - NPR show.

Volunteers

MCF - Danica - Steve Jackson

- Prepare donor kits for MCF

Peter Coyote
Andy Weil

Events - Fallkirk Center
- Andrew Weil
- Salon
- Talk to Carol about topics involved
- minimum of 3 peoples.
  - meal, discussion.
- Fundraiser
- $100 a people
- Whole Earth Fundraiser

Diana - meeting with Carol -

Michael Kossman

Budget line item - Airfare for Board members for meetings

GBN Shingle effect

Donor package - urgent

Magazines - article about magazines as deficit based operations

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Whole Earth
MAGAZINE

October 13, 1998

Revised Agenda — Point Foundation Board Meeting

1. approval of agenda (5 minutes)

2. review of minutes (5 minutes)

3. Publisher report(20 minutes)
   - f overview of finances
   - sub summary
   - newstand
   - Current marketing efforts
   - challenges

4. Editors Report (30 minutes)
   - update on fundraising
   - update on Endswell debt
   - 1999 Goal 100K

5. Approval of financial statements (10 minutes)

6. Board Structure

Hunter Leaves meeting....

7. Review of concerns not covered from the original agenda
   - Create working groups
   - Schedule next meeting

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Whole Earth
MAGAZINE

October 13, 1998

Agenda — Point Foundation Board Meeting

Documents in hand:
1. Corporate bylaws.
2. Publisher's report.
3. 1998 P&L statement (cash).
4. 1998 balance sheet.

1. Approval of agenda.

2. Review of minutes from last meeting.

3. Publisher's report.
   a. Overview of finances.
   b. Subscription summary.
   c. Newsstand summary.
   d. Current marketing efforts.
      • Holiday gift mailing.
      • Expires mailing.
      • Soft offer on website.
      • Test offer with #94 inserts.
   e. Website.
   f. Challenges/opportunities.

4. Approval of financial statements.

5. Editor's report.
   a. Update on fund raising.
   b. Update on Endswell debt
   c. Archives and Stanford.
   d. Editorial issues for the next year.
   e. Margaret Mead Award.

6. Board structure and membership. / Communication plan
   a. Consideration: two tiered board membership. Voting and non-voting members.
   b. Consideration: one board seat filled by a staff elected candidate.
   c. Sub-committees.

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d. Orientation package for new board members.
e. Number of meetings per year.
f. Additional board members: hit list.
   - Financial expertise.
   - Connections to Marin community.
   - Media executive.
   - Connections to SF business community.
   - Fundraising expertise.
   - Connection to Marin and/or SF social scenes.

7. Fundraising.

a. 1999 Goal: Raise $100,000 — Urgent
b. Donor package.
   - Statement of goals and objectives.
   - Brief history of Point Foundation's past activities.
   - Copy of 501(c)(3) letter from IRS.
   - Copy of letter from Marin Community Foundation expressing letter of relationship.
   - Letters of past support.
   - Covers of recent issues.
   - Financial statement. • Old newspaper articles
   - Self addressed envelope.
c. Donor marketing and research.
d. Offering donors specific projects to support.
e. Eligibility guidelines.

8. Schedule next board meeting and set agenda.

To: Danica Remy <---remy@inquisit.com--->
From: Alex Gault <---alexg@well.com--->
Subject: Re: Board Items
Cc:
Bcc:
X-Attachments:

--->Alex,

--->Also please fax or email me the notes that you Or was it peter? from the
--->october meeting we had in the library.

I think that these are the notes you're refering to — Please let me know if you are refering to a separate set.

In brief, the following decisions were made at the Ocober 15 meeting that require votes of the full Point Foundation Board or, at least, a quorum of three (?). They are:

(1) Peter Warshall is authorized to look for a new foundation that might accept Whole Earth as one of its projects. The Board agrees that if Peter finds such an organization that it will transfer its patent on the name of the magazine to the new foundation and the foundation will accept Point's liabilities pertaining to the magazine.

NOTE: The Board must be clear that it is authorizing Peter to move the magazine to a new home. The resolution should state under what conditions the Board will transfer the magazine.

(2) The Board must agree to extend the employment and payment for Peter Warshall and Alex Gault. The Board must appoint a treasurer to oversee finances.

(3) The Board needs to pass a resolution authorizing Peter to re-finance the Endswell agreement and to represent Point in negotiations of new terms.

(4) The Board should authorize Peter to approach Marin Community Foundation representatives to determine prospects of future help for the magazine.

(5) The Board should come to a quick agreement on newsstands sales of the religions and enviro issue. What size printing should occur?
NOTE: Peter will discuss will Ty, his approach to Livinia after he hears from the Board.
NOTE: Peter will then telephone Livinia and tell her new conditions of her grant. Should she not want these conditions, then the issue would not be printed and the magazine project of the Point Foundation folds.
NOTE: Peter will try to raise an additional $20,000 in the next three weeks. According to Alex, this would allow us (given revenues from subscribers, renewals and newsstands) to potentially re-start the next issue. If Peter raises the $20,000, the Board must agree to print 40,000 copies and allow the publisher to re-hire staff members. New terms and personnel may be negotiated.

NO ACTION ITEM: Peter will re-write the gossip section but soft pedal the precariousness our finances, while politely begging for help.

OTHER ITEMS RELEVANT TO FUTURE FINANCING. David had no luck with Drummond Pike and Tides. He has been unable to get to Lawrence Rockefeller and may give Peter his information. Peter will call for David. David will call Arie (spelling?) and determine funding prospects within the next ten days. Peter and Danica will meet with Peter Coyote. She will try to contact Bruce Katz. No specific action but the names of Kim Cranston, Peter Barnes, Gary Hirschfeld and others were suggested as potential helpers. David and Danica may pursue these leads.

Other: Kim, Liz and Mike were laid off. All writers and contributors to the magazine have been notified to stop work

1408 Mission Avenue
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Whole Earth
MAGAZINE

October 9, 1998

Publisher's Report

After a shaky revival in 1997, Whole Earth (WE) has maintained a steady although tightfisted course in 1998. The business runs on 5 full time staff, and 2 designers who work on contract for four six weeks periods. As of September 30, 3 quarters of the way through 1998, the business carries a cash balance of $96,000. Spring, Summer and Fall issues have all been published on schedule.

Finances

The business operates on $45,000 a month (average January 98 through October). Income per month, excluding donations and gifts, averages out to $33,000. WE maintains a monthly deficit of $12,000, and an annual deficit of $144,000. Given a cash balance of $96,000 as of September 30, by the end of 1998 WE will likely have cash balance of $60,000.

Note that the accompanying P&L statement measures WE's financial status on a cash basis, not accrual. The industry standard for recording subscription revenue is to register as income only that portion of payments which relate to *issues mailed*. The remaining should not show up on a P&L statement, but should show up as a liability on the balance sheet. We are in the process of modifying the books so that they are fully compliant with this standard, and this work should be complete by November 1. Until then, an accrual based picture of the business will not be available.

Capital investments that need to be made over the next quarter:
- Laser printer (600 dpi).
- fax machine.
- 2 Mac (powerpc) computers.
- 2 mac compatible monitors.
- Flat bed scanner.
- Quark Express page layout software.
- Microsoft office application suite.

Subscriptions

Fulfillment

WE subscriptions are currently fulfilled by Fulco, a fulfillment service in New Jersey. Until now, all orders for back issues, single copies and Millennium Whole Earth Catalogs (MWECs) have

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been fulfilled in the office and mailed from a mail shop in Hayward, CA. As of October 1, Fulco will offer a new set of services, including inventory management, single copy fulfillment, and direct mail services. WE will immediately begin using the first two. In doing so, we will, firstly, dramatically improve customer service, as subscribers who call for back issues have always had to make two calls and deal with unpredictable delays in order to receive fulfillment on missing issues and special requests. Secondly, office staff will be unburdened by related phone calls, faxes and emails.

Subscription Marketing

For the first time with the Fall 1998 issue, WE is testing prices for subscription offers, using the insert cards. 50% of the issues include cards offering a 25% discount, and the other 50% include cards offering a 50% discount. As a vital revenue channel, the insert cards, to date, have performed poorly. So we're a testing pricing to see how sensitive newsstand (read younger) buyers are to our subscription price.

On Friday, October 9, a holiday gift mailing was sent out to all current subscribers, including summer expires (approx. 13,000). A 10% response rate will deliver an additional net revenue of $31,200. Industry standards for holiday gift mailings: between 5% and 20%.

A promotional mailing to 14,500 expired subscribers (1993 to 98) will go out in early November. The list has been qualified: records have been checked for change of addresses and outdated records have been purged.

The WE website will launch Friday, October 16. The site includes a soft offer for subscriptions and discounted MWECs. Data from other magazines posting soft offers on dedicated websites confirm the web as a low cost and efficient medium for selling subscriptions.

Newsstand Distribution

A new distribution program is currently being evaluated, and is likely to be implemented within the next 6 months. Newsstand distribution is currently managed by Eastern News, a Hearst company in New York. Eastern specializes in small to medium sized special interest magazines. The company distributes to bookstore chains and a network of wholesalers across the country. We are looking closely at dealing directly with those wholesalers ourselves. The immediate benefit to wholesalers being that they will get a higher discount per issue sold. The new terms offer an incentive to promote WE more aggressively, and should ultimately result in both a better sell through and increased net sales. Managing those new relationships will seriously stretch staff resources. Alternatively, I am researching two companies which specialize in managing those relationships on a commission basis.

Website

Version 1 of the WE website will include, amongst other features:
- 25 sample articles and 45 sample book reviews selected from the last five issues.
- Conference area.
- Marketplace, selling subscriptions and MWECs.
- Option to purchase books reviewed, by means of the Amazon Associates Program.
- Background and contact information on the magazine.

Whole Earth
Balance Sheet
As of September 30, 1998

	Sep 30, '98
ASSETS	
Current Assets	
Checking/Savings	
WFB-Checking	13,968.05
WFB-MM	80,797.38
Fleet	2,005.50
Petty Cash	-11.68
Charles Schwab	70.90
Total Checking/Savings	96,830.15
Accounts Receivable	
Accounts Receivable	12,834.75
Total Accounts Receivable	12,834.75
Other Current Assets	
Prepaid Expenses	7,935.52
Undeposited Funds	673.50
Total Other Current Assets	8,609.02
Total Current Assets	118,273.92
Fixed Assets	
Equipment	24,467.56
Total Fixed Assets	24,467.56
Other Assets	
Investments	30,000.00
Total Other Assets	30,000.00
TOTAL ASSETS	172,741.48
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	5,506.19
Total Accounts Payable	5,506.19
Credit Cards	
VISA-Fleet	-30.17
VISA-Working Assets	143.88
Total Credit Cards	113.71
Other Current Liabilities	
Payroll Liabilities	109.22
Deferred Revenue	275,260.00

Whole Earth
Balance Sheet
As of September 30, 1998

	Sep 30, '98
Total Other Current Liabilities	275,369.22
Total Current Liabilities	280,989.12
Long Term Liabilities	
Note-Endswell	37,876.00
Total Long Term Liabilities	37,876.00
Total Liabilities	318,865.12
Equity	
Net Assets	-247,864.53
Net Income	101,740.89
Total Equity	-146,123.64
TOTAL LIABILITIES & EQUITY	172,741.48

10/07/98

Whole Earth
Profit and Loss
January through September 1998

	Jan '98	Feb '98	Mar '98	Apr '98	May '98	Jun '98	Jul '98	Aug '98	Sep '98	TOTAL
Ordinary Income/Expense										
Income										
Advertising Revenue	0.00	1,088.00	4,454.00	717.10	86.10	5,006.75	734.00	2,905.00	5,875.00	20,865.95
Single Copy	1,610.00	9,798.94	12,496.64	405.15	7,431.66	14,614.55	1,684.98	9,809.37	9,673.20	67,524.49
Subscription	25,528.55	27,794.74	38,307.75	20,145.26	19,557.70	28,086.93	14,283.71	15,972.34	13,979.77	203,656.75
Development Income	150,267.55	5,085.00	1,000.00	2,676.00	-25.25	226.00	195.00	4,000.00	24,000.00	187,424.30
Other Revenue	333.99	593.58	1,010.09	600.56	586.44	1,490.55	1,174.78	1,065.76	252.00	7,107.75
Total Income	177,740.09	44,360.26	57,268.48	24,544.07	27,636.65	49,424.78	18,072.47	33,752.47	53,779.97	486,579.24
Expense										
Development	128.76	40.00	0.00	0.00	0.00	0.00	0.00	0.00	250.00	418.76
Advertising Dept	0.00	-135.34	300.60	0.00	4.28	16.00	566.21	25.00	0.00	776.75
Single Copy Dept	-133.63	303.00	483.62	131.50	131.50	7.02	131.50	131.50	122.50	1,308.51
Subscription Dept	1,662.19	7,776.21	8,915.43	-10,836.20	8,546.06	13,067.44	5,100.12	9,021.68	2,383.97	45,636.90
Production	0.00	1,665.66	28,134.78	0.00	27,739.00	17.80	0.00	5,102.01	31,045.30	93,704.55
Editorial Dept	16,527.52	15,057.03	14,200.16	16,489.07	11,658.61	16,354.57	14,467.53	14,449.20	12,355.62	131,559.31
General Expenses	9,562.60	11,268.40	16,366.62	13,699.24	12,734.24	13,748.58	13,903.33	9,507.75	15,553.55	116,344.31
Total Expense	27,747.44	35,974.96	68,401.21	19,483.61	60,813.69	43,211.41	34,168.69	38,237.14	61,710.94	389,749.09
Net Ordinary Income	149,992.65	8,385.30	-11,132.73	5,060.46	-33,177.04	6,213.37	-16,096.22	-4,484.67	-7,930.97	96,830.15
Other Income/Expense										
Other Expense										
Unknown Expenses	0.00	0.00	0.00	5,699.00	0.00	0.00	129.82	57.19	45.00	5,931.01
Prior Year Adjustment	-418.86	-4,321.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-4,740.80
Total Other Expense	-418.86	-4,321.94	0.00	5,699.00	0.00	0.00	129.82	57.19	45.00	1,190.21
Net Other Income	418.86	4,321.94	0.00	-5,699.00	0.00	0.00	-129.82	-57.19	-45.00	-1,190.21
Net Income	150,411.51	12,707.24	-11,132.73	-638.54	-33,177.04	6,213.37	-16,226.04	-4,541.86	-7,975.97	95,639.94

10/07/98

Whole Earth
Profit and Loss
January 1 through October 1, 1998

	Jan '98	Feb '98	Mar '98	Apr '98	May '98	Jun '98	Jul '98	Aug '98	Sep '98	Oct 1, '98	TOTAL
Ordinary Income/Expense											
Income											
Advertising Revenue											
Classified	0.00	0.00	0.00	717.10	86.10	0.00	36.00	0.00	36.00	0.00	875.20
Space Advertising	0.00	1,088.00	4,483.00	0.00	0.00	6,636.00	662.00	2,434.00	10,216.00	0.00	25,519.00
Discounts	0.00	0.00	-29.00	0.00	0.00	-1,629.25	0.00	0.00	-4,377.00	0.00	-6,035.25
Advertising Revenue - Other	0.00	0.00	0.00	0.00	0.00	0.00	36.00	471.00	0.00	0.00	507.00
Total Advertising Revenue	0.00	1,088.00	4,454.00	717.10	86.10	5,006.75	734.00	2,905.00	5,875.00	0.00	20,865.95
Single Copy											
Back Issue Sales	10.00	29.17	18.95	42.00	108.00	0.00	46.95	22.00	0.00	0.00	277.07
Direct	1,600.00	0.00	0.00	0.00	0.00	1,937.00	417.00	0.00	0.00	0.00	3,954.00
Newsstand	0.00	9,769.77	11,306.87	0.00	7,323.66	12,677.55	1,215.08	8,361.61	9,637.20	0.00	60,291.74
Royalties	0.00	0.00	1,170.82	363.15	0.00	0.00	0.00	1,425.76	0.00	0.00	2,959.73
Single Copy - Other	0.00	0.00	0.00	0.00	0.00	0.00	5.95	0.00	36.00	0.00	41.95
Total Single Copy	1,610.00	9,798.94	12,496.64	405.15	7,431.66	14,614.55	1,684.98	9,809.37	9,673.20	0.00	67,524.49
Subscription											
Fulco Deposits	25,608.67	27,502.86	37,420.60	20,111.80	17,632.75	26,556.50	14,632.88	15,855.00	13,930.03	625.00	199,876.09
List Rental	0.00	986.87	887.15	430.24	2,172.67	1,664.49	0.00	365.75	0.00	0.00	6,507.17
CC Discounts	-80.12	-694.99	0.00	-396.78	-247.72	-134.06	-349.17	-248.41	0.00	0.00	-2,151.25
Subscription - Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	49.74	0.00	49.74
Total Subscription	25,528.55	27,794.74	38,307.75	20,145.26	19,557.70	28,086.93	14,283.71	15,972.34	13,979.77	625.00	204,281.75
Development Income											
Donations	150,267.55	5,085.00	1,000.00	2,676.00	0.00	226.00	195.00	4,000.00	0.00	0.00	163,449.55
Grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24,000.00	0.00	24,000.00
Development Income - Other	0.00	0.00	0.00	0.00	-25.25	0.00	0.00	0.00	0.00	0.00	-25.25
Total Development Income	150,267.55	5,085.00	1,000.00	2,676.00	-25.25	226.00	195.00	4,000.00	24,000.00	0.00	187,424.30
Other Revenue											
Copyright	0.00	0.00	0.00	0.00	0.00	0.00	12.69	0.00	0.00	0.00	12.69
Dividend Income	113.99	527.64	584.09	565.56	566.44	508.55	508.09	466.93	0.00	0.00	3,841.29
Interest Income	0.00	0.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.94
Sales-Books	220.00	0.00	371.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	791.00
Sales-MWEC	0.00	65.00	55.00	35.00	20.00	782.00	654.00	480.00	252.00	0.00	2,343.00
Other Revenue - Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	118.83	0.00	0.00	118.83
Total Other Revenue	333.99	593.58	1,010.09	600.56	586.44	1,490.55	1,174.78	1,065.76	252.00	0.00	7,107.75
Total Income	177,740.09	44,360.26	57,268.48	24,544.07	27,636.65	49,424.78	18,072.47	33,752.47	53,779.97	625.00	487,204.24
Expense											
Development											
Admin Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	250.00	0.00	250.00
Postage/Shipping	128.76	40.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	168.76
Total Development	128.76	40.00	0.00	0.00	0.00	0.00	0.00	0.00	250.00	0.00	418.76
Advertising Dept											
Commissions	0.00	0.00	296.31	0.00	0.00	0.00	0.00	0.00	0.00	0.00	296.31
Payroll Tax Exp.	0.00	0.00	0.00	0.00	0.00	0.00	39.84	0.00	0.00	0.00	39.84

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	Jan '98	Feb '98	Mar '98	Apr '98	May '98	Jun '98	Jul '98	Aug '98	Sep '98	Oct 1, '98	TOTAL
Salary & Wages	0.00	0.00	0.00	0.00	0.00	0.00	520.80	0.00	0.00	0.00	520.80
Sales Aids	0.00	20.16	4.29	0.00	4.28	16.00	0.00	25.00	0.00	0.00	69.73
Workers Comp	0.00	0.00	0.00	0.00	0.00	0.00	5.57	0.00	0.00	0.00	5.57
Advertising Dept - Other	0.00	-155.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-155.50
Total Advertising Dept	0.00	-135.34	300.60	0.00	4.28	16.00	566.21	25.00	0.00	0.00	776.75
Single Copy Dept											
Distribution Freight	-109.15	0.00	0.00	0.00	0.00	-100.00	0.00	0.00	-9.00	0.00	-218.15
Fulfillment	-24.48	0.00	0.00	0.00	0.00	-24.48	0.00	0.00	0.00	0.00	-48.96
Single Copy Promotion	0.00	40.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	40.00
Storage	0.00	263.00	131.50	131.50	131.50	131.50	131.50	131.50	131.50	0.00	1,183.50
Travel	0.00	0.00	352.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	352.12
Total Single Copy Dept	-133.63	303.00	483.62	131.50	131.50	7.02	131.50	131.50	122.50	0.00	1,308.51
Subscription Dept											
Bad Debts	0.00	42.00	46.00	20.00	0.00	-24.00	0.00	24.00	0.00	0.00	108.00
Bank Charges	0.00	0.00	0.00	0.00	0.00	0.95	0.00	5.00	0.00	0.00	5.95
Bind-ins/Blow-ins	0.00	0.00	2,041.94	0.00	0.00	2,024.53	0.00	0.00	0.00	0.00	4,066.47
Consultants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,875.00	0.00	0.00	1,875.00
Equip. Rental	31.00	17.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	48.00
Gift Programs	0.00	0.00	31.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31.97
Postage	1,631.19	1,916.63	4,163.18	-10,880.45	6,571.97	8,982.00	1,270.00	4,157.40	703.48	0.00	18,515.40
Single Copy Freight	0.00	1,097.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,097.58
Stationery/Supplies	0.00	0.00	446.60	0.00	0.00	0.00	0.00	260.10	0.00	0.00	706.70
Subscription Fulfillment	0.00	4,703.00	2,185.74	24.25	1,824.09	1,997.48	3,830.12	1,936.57	1,680.49	0.00	18,181.74
Subscription Promotion	0.00	0.00	0.00	0.00	150.00	86.48	0.00	0.00	0.00	0.00	236.48
Travel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	763.61	0.00	0.00	763.61
Total Subscription Dept	1,662.19	7,776.21	8,915.43	-10,836.20	8,546.06	13,067.44	5,100.12	9,021.68	2,383.97	0.00	45,636.90
Production											
Paper											
Body	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cover	0.00	80.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	80.50
Other	0.00	0.00	0.00	0.00	739.00	0.00	0.00	0.00	45.30	0.00	784.30
Total Paper	0.00	80.50	0.00	0.00	739.00	0.00	0.00	0.00	45.30	0.00	864.80
Pre-Press	0.00	1,585.16	0.00	0.00	0.00	0.00	0.00	1,803.74	0.00	0.00	3,388.90
Printing	0.00	0.00	28,134.78	0.00	27,000.00	17.80	0.00	3,298.27	31,000.00	0.00	89,450.85
Total Production	0.00	1,665.66	28,134.78	0.00	27,739.00	17.80	0.00	5,102.01	31,045.30	0.00	93,704.55
Editorial Dept											
Art & Photo	1,035.30	2,389.29	364.65	68.44	138.26	3,477.14	97.44	1,773.18	360.00	0.00	9,703.70
Contractor	2,866.00	0.00	0.00	3,585.00	717.00	2,000.00	6,868.00	5,434.00	4,000.00	0.00	25,470.00
Health Insurance	140.70	140.70	140.70	140.70	136.00	136.00	0.00	684.72	226.99	0.00	1,746.51
Library	0.00	0.50	0.00	274.16	4.28	83.09	88.50	121.80	5.00	0.00	577.33
Manuscript Fees	0.00	460.00	2,907.35	100.00	0.00	3,465.00	50.00	80.00	2,435.00	0.00	9,497.35
Payroll Tax Exp.	1,370.49	1,341.01	882.45	1,032.60	771.03	535.95	649.81	506.95	434.27	0.00	7,524.56
Postage/Shipping	0.00	15.50	0.00	0.00	20.47	0.00	0.00	2.42	0.00	0.00	38.39
Rep. & Maintenance	208.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	208.00
Salary & Wages	10,501.85	10,551.83	9,743.50	11,168.50	9,743.50	6,535.15	6,635.18	5,685.18	4,735.18	0.00	75,299.87

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	Jan '98	Feb '98	Mar '98	Apr '98	May '98	Jun '98	Jul '98	Aug '98	Sep '98	Oct 1, '98	TOTAL
Software	287.90	0.00	0.00	0.00	0.00	0.00	0.00	101.45	0.00	0.00	389.35
Supplies	9.12	49.52	57.25	0.00	23.81	52.48	7.60	0.00	0.00	0.00	199.78
Workers Comp	108.16	108.68	104.26	119.67	104.26	69.76	71.00	59.50	159.18	0.00	904.47
Total Editorial Dept	16,527.52	15,057.03	14,200.16	16,489.07	11,658.61	16,354.57	14,467.53	14,449.20	12,355.62	0.00	131,559.31
General Expenses											
Bad Checks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.68	0.00	12.68
Bank Charges	236.11	0.00	444.41	163.77	110.11	79.40	125.88	77.51	60.00	0.00	1,297.19
Depreciation	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	0.00	9,000.00
Equipment											
Repair	0.00	0.00	0.00	0.00	0.00	0.00	55.00	0.00	0.00	0.00	55.00
Equip. Rental	0.00	14.00	31.00	31.00	31.00	31.00	31.00	31.00	0.00	0.00	200.00
Hardware	182.31	303.11	0.00	83.86	0.00	0.00	1,234.80	0.00	625.00	0.00	2,429.08
Software	150.00	188.69	0.00	9.95	0.00	896.59	0.00	0.00	0.00	0.00	1,245.23
Total Equipment	332.31	505.80	31.00	124.81	31.00	927.59	1,320.80	31.00	625.00	0.00	3,929.31
Insurance-Prop./Liab.	0.00	-2,373.00	3,103.50	0.00	0.00	80.50	90.50	1,739.35	380.53	0.00	3,021.38
Interest Expense	19.95	75.00	0.00	0.00	0.00	0.00	40.88	0.00	1.37	0.00	137.20
List Management	0.00	95.31	103.08	24.39	0.00	45.06	61.33	0.00	0.00	0.00	329.17
MWEC											
Fulfillment	0.00	66.90	36.15	29.05	30.05	35.80	68.15	36.45	41.40	0.00	343.95
Postage	0.00	419.85	192.63	208.31	169.10	89.15	329.71	108.88	149.48	0.00	1,667.11
Storage	0.00	150.00	75.00	75.00	60.00	60.00	60.00	60.00	60.00	0.00	600.00
Supplies	0.00	0.00	0.00	0.00	134.75	0.00	0.00	0.00	0.00	0.00	134.75
Total MWEC	0.00	636.75	303.78	312.36	393.90	184.95	457.86	205.33	250.88	0.00	2,745.81
Payroll											
Disability Ins.	88.66	36.38	-39.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	85.83
Employee Relations	0.00	0.00	0.00	39.35	60.39	0.00	0.00	0.00	0.00	0.00	99.74
Health/Dental	606.03	378.36	224.04	453.85	701.45	701.45	607.25	842.55	384.00	0.00	4,898.98
Payroll Service	326.65	60.65	58.90	112.41	58.90	105.40	74.75	55.40	53.65	0.00	906.71
Payroll Tax Expense	435.00	663.38	577.50	616.92	465.01	433.50	433.50	433.49	433.49	0.00	4,491.79
Recruiting	0.00	0.00	0.00	40.00	0.00	0.00	0.00	0.00	0.00	0.00	40.00
Salaries & Wages	3,333.34	5,083.35	5,666.68	6,417.48	5,666.68	5,666.68	5,666.68	5,666.68	5,666.68	0.00	48,834.25
Workers Comp Ins.	34.34	52.36	60.64	68.64	60.64	60.64	60.64	59.50	59.50	0.00	516.90
Total Payroll	4,824.02	6,274.48	6,548.55	7,748.65	7,013.07	6,967.67	6,842.82	7,057.62	6,597.32	0.00	59,874.20
Postage/Shipping	44.07	604.10	808.31	682.77	475.34	777.03	921.43	386.86	418.37	0.00	5,118.28
Professional Services											
Acctng/Bookkg	367.50	652.50	525.00	990.00	210.00	157.50	180.00	90.00	105.00	0.00	3,277.50
Professional Services - Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	187.50	360.00	0.00	547.50
Total Professional Services	367.50	652.50	525.00	990.00	210.00	157.50	180.00	277.50	465.00	0.00	3,825.00
Rent	1,745.00	1,745.00	2,060.00	1,430.00	2,105.00	1,745.00	1,745.00	1,745.00	1,785.00	1,430.00	17,535.00
Repairs & Maintenance	25.78	0.00	0.00	170.08	95.40	23.11	0.00	68.00	0.00	0.00	382.37
Supplies	265.48	580.88	488.20	152.69	100.08	226.71	377.33	461.31	-30.17	0.00	2,622.51
Tax & License	0.00	321.00	10.00	-79.00	0.00	497.42	0.00	0.00	49.74	0.00	799.16
Telecommunications											
FAX	0.00	0.00	0.00	0.00	0.00	15.00	0.00	0.00	0.00	0.00	15.00
Internet	137.67	127.25	108.45	94.95	94.95	94.95	119.95	119.95	119.95	100.00	1,118.07

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	Jan '98	Feb '98	Mar '98	Apr '98	May '98	Jun '98	Jul '98	Aug '98	Sep '98	Oct 1, '98	TOTAL
Local Service	217.21	736.00	299.47	346.60	375.66	332.72	311.00	505.43	146.39	0.00	3,270.48
Long Distance Service	347.50	7.42	359.79	504.35	640.78	328.19	292.47	694.79	452.74	0.00	3,628.03
Telecommunications - Other	0.00	0.00	0.00	0.00	0.00	225.00	0.00	75.00	885.75	0.00	1,185.75
Total Telecommunications	702.38	870.67	767.71	945.90	1,111.39	995.86	723.42	1,395.17	1,604.83	100.00	9,217.33
Travel	0.00	29.60	173.08	32.82	88.95	40.78	16.08	30.10	0.00	0.00	411.41
Web site	0.00	250.31	0.00	0.00	0.00	0.00	0.00	2,333.00	2,333.00	0.00	4,916.31
General Expenses - Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-7,300.00	0.00	0.00	-7,300.00
Total General Expenses	9,562.60	11,268.40	16,366.62	13,699.24	12,734.24	13,748.58	13,903.33	9,507.75	15,553.55	1,530.00	117,874.31
Total Expense	27,747.44	35,974.96	68,401.21	19,483.61	60,813.69	43,211.41	34,168.69	38,237.14	61,710.94	1,530.00	391,279.09
Net Ordinary Income	149,992.65	8,385.30	-11,132.73	5,060.46	-33,177.04	6,213.37	-16,096.22	-4,484.67	-7,930.97	-905.00	95,925.15
Other Income/Expense											
Other Expense											
Unknown Expenses	0.00	0.00	0.00	5,699.00	0.00	0.00	129.82	57.19	45.00	0.00	5,931.01
Prior Year Adjustment	-418.86	-4,321.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-4,740.80
Total Other Expense	-418.86	-4,321.94	0.00	5,699.00	0.00	0.00	129.82	57.19	45.00	0.00	1,190.21
Net Other Income	418.86	4,321.94	0.00	-5,699.00	0.00	0.00	-129.82	-57.19	-45.00	0.00	-1,190.21
Net Income	150,411.51	12,707.24	-11,132.73	-638.54	-33,177.04	6,213.37	-16,226.04	-4,541.86	-7,975.97	-905.00	94,734.94